

the valuation figures are available from the county on August 22 and the budget must be adopted by September 10. Neither the fiscal year nor the appropriation ordinance fit in the State Budget Act. LB 194 changes the start of the fiscal year for first and second class cities and villages from August 1 to October 1. This will ensure that the municipal budget will be developed and adopted prior to the start of the fiscal year. LB 194 also clarifies the law regarding the adoption of the annual appropriations ordinance. Under current law a city of the first or second class or villages must adopt the annual appropriation ordinance prior to the adoption of the budget and prior to the time that valuation figures are available for the budget. Because of this the appropriation ordinances do not reflect the actual budget figures. LB 194 amends the law to place the annual appropriation ordinance in line with the State Budget Act, making the adoption of the budget statement the appropriation ordinance. The bill was drafted without consideration of the lid on property taxes because the current lid is scheduled to expire this year. Because a new lid is proposed in LB 613, this bill will need to be amended. The lid is based on one year's property tax receipts. Because LB 194 changes the start of the fiscal years from August 1 to October 1, there will be one fiscal year initially for municipalities that will be 14 months long. The amendment will provide a formula to determine how the lid will be calculated over that one fiscal year with the extra months, and I will wait until the Select File to offer the amendment. Just wanted to let the members know that we are working on that and it has been taken into consideration. With that I would urge the body to advance LB 194 to E & R Initial.

SPEAKER WITHEM: You've heard the opening. Senator Vrtiska.

SENATOR VRTISKA: Thank you, Mr. Speaker, members of the body, I rose because I had not recognized that Senator Maurstad was going to clarify the 14 months and I was concerned about that issue of the cap and how it would work out but he explained that. The only other question I have, Senator Maurstad, is regarding, you have a bill in to change the election date for villages and...will that dovetail with this?

SENATOR MAURSTAD: Possibly. I think that's LB 195 and we're looking for a spot because that's a fairly routine bill in itself and we're looking for a spot where that might fit. We didn't know if this was the best place or not, so we might look